

1st June, 1945.



BS.1945/5B.

NEW SOUTH WALES.

BUSINESS STATISTICS - May, 1945.

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PART I PRIMARY AND EXPORT INDUSTRIES.

SEASON. All areas, except the still drought-stricken south-west (including much of the Riverina), received fair to good rains in the middle weeks of May, and useful falls occurred on parts of the Coastal divisions subsequently. Temperatures were normal, but it is now too cold for a vigorous growth of herbage. Rabbits are numerous but are being reduced in number by trapping.

The fodder position is acute. The Commonwealth is continuing efforts of secure oversea supplies, and has seized a quantity of chaff in Western Australia for diversion for pit ponies in N.S.W.

WOOL. In Australia the quantity of wool appraised this season was stated by the Central Wool Committee on May 31, 1945 as 2,900,756 bales of an appraised value of £52,141,478. The average greasy prices of wool appraised were:-

	<u>N.S.W.</u>	<u>Vic.</u>	<u>Q'land.</u>	<u>S.Aust.</u>	<u>W.Aust.</u>	<u>Tas.</u>	<u>C'wealth.</u>
Per lb. greasy	13.36d.	14.88d.	14.00d.	12.35d.	13.46d.	17.24d.	13.87d.

Present indications are that the Australian 1944-45 clip will be about 3,150,000 bales or about 250,000 bales short of the original estimate.

No official statement was made at the close of the Empire Wool Conference in London, but it is understood that satisfactory agreements were reached regarding marketing. Press comment suggest that as a result mills are assured of long-term supplies of wool at stable prices. It is hinted that attempts may be made to reach agreement with American interests, and later to arrange a world conference.

WHEAT. The outlook for wheat and other cereal crops in northern and central sections of the wheat belt remain favourable, but the unbroken drought in the Riverina renders sowing and production prospects in the southern section unpromising.

To the end of May, 1945 licenses had been issued to 21,935 growers covering the sowing of 4,732,391 acres of wheat in N.S.W., and a large additional area was covered by licenses issued in June. Last season a total of 21,622 licenses covering 4,000,893 acres were issued. As in the present season there is to be no restriction of wheat growing in 1946.

Due to the tight wheat situation, N.S.W. flour mills are to operate one shift only from June 1 to Nov. 30, 1945.

The Bread Inquiry conducted by Mr. Justice Kinsella, (the report on which has been presented) revealed the need for improving the quality of wheat flour and bread in N.S.W., and the Government is taking steps toward remedying deficiencies.

DAIRYING INDUSTRY. Butter production is decreasing rapidly and is insufficient to meet local demand. Illustrative of the Australian situation, the quotas fixed for June 1945 permit of intrastate sale of 96.3 per cent. of the butter and 98.2 per cent. of the cheese manufactured, which means that very little from current production is available for export. The seasonally low level in production is more emphasised than usual.

Milk supplies for the Sydney and Newcastle areas have decreased and to householders have been reduced to 30 per cent. of usual deliveries.

There has been a serious falling-off in the quality of butter made in New South Wales. The proportion graded at factories as choicest and regraded as first quality was 9.8% in 1941, 12.3% in 1942, 17.7% in 1943, 20.4% in 1944 and 31.3% in 1945.

GENERAL. An official estimate of the present annual cost to the Commonwealth Government of assistance to primary industries as supplied to Parliament is itemised as follows:-

	£
Dairy Industry Assistance Act.	7,500,000
Whole milk	1,650,000
Apple and Pear Industry	725,000
Wheat Industry - subsidy on feed wheat freight on wheat from W.Aust. for stock feed, and flour tax payments	5,950,000
Wheat acreage payments, W.Aust.	570,000
Stock feed subsidies on grains other than wheat	160,000
Fodder, transport and other costs	130,000
Jute products for primary industries	1,000,000
Superphosphate	2,750,000
Nitrate of soda and sulphate of ammonia	290,000
Arsenic production	43,000
Pea and bean seed	120,000
Casein	20,000
Fruit case shocks, W.Aust.	20,000
Total	<u>20,928,000</u>

In addition, considerable direct and indirect assistance has been afforded through other forms of subsidy and guarantee e.g. provision of accommodation for rural workers and of agricultural machinery, vegetable market stabilisation, compensation to growers on undelivered crops, etc.

PART II FINANCE AND TRADE.

GENERAL. The Commonwealth Government's White Paper on Full Employment, tabled on May 30 embodies the appropriate principles of economic policy previously announced. (See BS.1945/1B, p.5).

The War Gratuity Bill (see BS.1945/3A p.4) and the Life Insurance Bill are before Parliament. The latter incorporates Commonwealth and will replace State laws on life insurance and provides for an Insurance Commissioner to administer provisions designed to protect insured persons, and the establishment of a Commonwealth Life Insurance office when and if deemed desirable.

The Commonwealth Conversion Loan in London of £60 m. brought subscriptions totalling £56.7 m. The Commonwealth Bank will take up the remaining £3.3 m. in addition to providing £34 m. for repayment of maturing stock. As a result of the conversion £2 m. a year will be saved in interest and by repayment of loans £2.7 m. p.a. interest will be payable in Australia instead of having to be remitted to London.

The price of gold in Australia is now £10.13s.6d. an ounce fine, or within 6d. of the record price in 1941.

An accumulated deficit of £400,000 on the Sydney Harbour Bridge is to be met from the State Consolidated Revenue Fund.

N.S.W. GOVERNMENT ACCOUNTS. Receipts in April, 1945 were £58,000 less and payments were £273,000 greater than in April, 1944.

In comparing accounts for the ten months ended April, 1944 and 1945 certain special transactions, vide footnote to the table must be taken into account. These transactions had little effect upon the net result which in the combined accounts was £598,000 the more favourable in 1944-45. The excess of receipts over expenditure in the Consolidated Revenue Fund was £574,000 greater and business undertakings (including Main Roads) showed an improvement of £24,000, with regressions of £80,000 for Railways and of £161,000 in Road Transport and Traffic Fund, and the improvement of £155,000 for Main Roads and of £93,000 for Sydney Harbour, as the major factors.

NEW SOUTH WALES GOVERNMENT ACCOUNTS.

(£ millions)

July to April	Revenue +				Expenditure +				Excess of Revenue
	Cons'd.Rev.	Bus Undtkgs. φ	Main Roads	Total	Cons'd.Rev.	Bus. Undtkgs. φ	Main Roads	Total	
1943-44	23.33	35.52	2.18	61.03	31.19	27.64	2.23	61.06	(-).03
1944-45	27.79	33.39	2.30	63.48	35.07	25.64	2.20	62.91	.57
Movement	(+)4.46	(-)2.13	(+).12	(+)2.45	(+)3.88	(-) 2.00	(-).03	(+)1.85	(+) .60

+ Including in 1944-45 the receipt of £3.25 m. and the payment of £3.84 m. for retirement of Treasury bills (Vide B.S.1945/2A,p.4) and receipt of £639,000 for transfer of Garden Is. to the C'wealth.

φ Railways, Tramways and Buses, Road Transport and Traffic Fund, and Sydney Harbour.

NOTE ISSUE. Notes in the hands of the public reached a peak (apart from the Christmas expansion) of £183.3 m. in October, 1944. By the end of April, 1945 there had been a contraction of £14.8 m. (contrasted with an increase of £28.1 m. in the corresponding period of 1943-44). It is probable that with the tapering off of war production the currency needs of business are somewhat reduced, and also that a measure of dishoarding, and the transfer from the Australian sphere of Allied servicemen (leading to the return of Australian notes) have been factors in the recent downward trend.

AUSTRALIAN NOTES HELD BY PUBLIC.

	£m.		£m.		£m.
Sept. 1939	37.3	1944 Feb.	152.3	1945 Feb.	176.5
1943	134.7	Mar.	161.2	Mar.	171.3
1944	181.9	Apr.	166.5	Apr.	168.5

By a National Security Regulation issued on May 30, 1945, notes of denominations greater than £10 will cease to be legal tender as from 1st September, 1945 after which they will be legally negotiable only at the State capital offices of the Commonwealth Bank. Details of notes outstanding by denomination were given in BS.1945/4B as page 5.

RETAIL TRADE. The value of sales in a group of large Sydney stores was 6.6 per cent. less in March 1945, than in March 1944 (which had one more trading day). This was the first decrease compared with the corresponding month of a year earlier for twelve months, but the value of sales in March Quarter showed an increase of 4.8% over those in March Qr. 1944.

Data regarding stocks is suggestive of appreciable re-stocking. The value of stocks held by these stores was 17 per cent. greater in March, 1945 and for March Qr., 1945 averaged 9.2 per cent. more than a year before. All soft-goods, except fancy drapery were in better supply, substantially so for most classes, but stocks of boots and shoes were down (notwithstanding that sales in March were 23.3 per cent. less than in March, 1944), and those of furniture and hardware were much as they were a year earlier (though sales of these had increased appreciably).

RETAIL TRADE - EXPERIENCE OF LARGE SYDNEY STORES.

Percentage Increase (+) or Decrease 0(-) from corresponding period previous year.

Year.	Value of Sales.					Value of Stock.	
	Dec.	Jan.	Feb.	Mar.	Jan.-Mar.	Mar.	Jan.-Mar.
1941-42	(+) 4.8	(+) 5.5	(+) 3.4	(+) 25.9	(+) 11.5	(+) 11.5	(+) 17.0
1942-43	(-) 23.1	(-) 15.3	(-) 27.5	(-) 14.1	(-) 18.8	(-) 2.4	(+) 1.9
1943-44	(+) 5.4	(-) 10.0	(+) 1.6	(+) 10.4	(+) 1.3	(-) 5.1	(-) 7.0
1944-45	(+) 6.1	(+) 20.1	(+) 6.5	(-) 6.6	(+) 4.8	(+) 17.0	(+) 9.2

Appreciable decreases in the value of sales of softgoods in March, 1945 following upon several months of substantial increase compared with a year earlier are reflective partly of heavy sales in March, 1944. Increased sales of building materials, tools, etc. (+11.6%), general hardware (+13.7%) and electrical goods (+42.9%) may be related to increased (but still limited) building activity, with the removal of control over the sale of heating and cooking appliances an additional factor.

RETAIL TRADE - SALES BY LARGE SYDNEY STORES.

Percentage movement from same month in preceding year.

Month of March.	Wearing Apparel				Household Piece Goods.	Furniture and Hardware.
	Dress Piece Goods.	Women's Wear.	Men's & Boys' Wear.	Boots and Shoes		
1942	(+) 38.7	(+) 41.7	(+) 47.9	(+) 45.2	(+) 16.7	(-) 3.5
1943	(-) 15.1	(-) 22.7	(-) 30.0	(-) 17.7	(+) 20.9	(-) 9.3
1944	(+) 35.5	(+) 27.2	(+) 23.9	(+) 21.4	(-) 25.3	(-) 6.5
1945	(-) 14.5	(-) 11.1	(-) 13.1	(-) 23.3	(-) 11.8	(+) 7.8

PART III INDUSTRY, TRANSPORT, ETC.

GENERAL. Manpower. The Acting Prime Minister has indicated the intention to make a statement of manpower policy almost immediately. It is expected that the "re-balancing" of the Australian war effort will result in further substantial releases from the Forces and of men from war production for employment in essential civilian industries, particularly the primary and building industries.

Decentralisation. Since 1941 there have been 155 factories with a weekly payroll of £45,000 established in country towns. Of these 61 are textile or clothing factories which employ 3,000 girls and pay £10,000 weekly in wages and salaries.

Leading industrialists, who have directed munitions, etc. production for the Commonwealth during the war, have now been released to resume their posts with private industry.

The industrial dispute which rendered idle 3,000 ironworkers in the Balmain area for six weeks has ended.

EMPLOYMENT IN NEW SOUTH WALES. In May, 1945 there were 780,800 persons in employment in New South Wales. This number was 700 less than in February, 1945 and 6,100 and 3,600 more than in March 1943 and March, 1944, respectively.

From February to March, 1945 the most noteworthy change was the decrease of 1,600 males in private employment, contrary to the trend of recent months, and possibly the result of industrial stoppages.

Over the twelve months ended March, 1945 there were 6,000 (including 3,700 males) added to private payrolls, and there was a decrease of 2,400 persons (males + 1,300 and females - 3,700) in Government employment.

ESTIMATED SALARY AND WAGE EARNERS EMPLOYED, N.S.W.

(Excluding Rural Workers and Household Domestics) (Includes Civil Construction Corps in N.S.W.)

Year.	MALES			FEMALES			TOTAL		
	Govt. (C'th.State Local and Allied).	Private Employ- ers	Total	Govt. (C'th.State Local and Allied).	Private Employ- ers.	Total	Govt. C'th.State Local and Allied)	Private Employ- ers	Total
	'000	'000	'000	'000	'000	'000	'000	'000	'000
1939-July	136.5	393.4	529.9	19.4	148.6	168.0	155.9	542.0	697.9
1941-Dec.	146.4	410.1	556.5	23.4	203.9	227.3	169.8	614.0	783.8
1943-Mar.	156.2	372.0	528.2	38.7	207.8	246.5	194.9	579.8	774.7
1944-Feb.	153.0	369.6	522.6	47.2	205.3	252.7	200.2	575.1	775.3
Mar.	152.4	370.8	523.2	47.0	207.0	254.0	199.4	577.8	777.2
1945-Feb.	153.3	376.1	529.4	43.6	208.5	252.1	196.9	584.6	781.5
Mar.	153.7	374.5	528.2	43.3	209.3	252.6	197.0	583.8	780.8

During March, 1945 employment decreased in factories by 1,400, in mining and quarrying by 600, and in transport and communication by 1,000. Employment increased in building and construction by 800 males, in retail trade by 500 persons and in "professional and personal services" by 600.

Over the twelve months ended March, 1945 there were net losses of 5,300 men and 5,600 women from factories, and net gains of 3,300 men and 500 women in transport and communication. The gains of 2,100 men and 3,000 women in professional and personal services over the twelve months was worthy of note also.

ESTIMATED TOTAL EMPLOYMENT IN MAIN INDUSTRIAL GROUPS, NEW SOUTH WALES.
Thousands.

Year and Month	Factory		Mining & Quarrying		Building & Construction (a)		Transport & Communication		Retail Trade		Other Commerce and Finance		Professional & Personal Services (b)	
	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.
1939-July	158.8	59.3			Not available.									
1941-Dec.	213.2	81.8	25.8	.2	49.0	.7	81.8	8.4	41.2	44.3	42.6	19.2	52.3	58.2
1943-Mar.	218.4	92.6	24.7	.2	34.3	.7	80.2	11.4	29.3	39.7	34.9	21.0	44.4	61.6
1944-Feb.	219.7	94.1	24.7	.2	28.0	.7	82.2	13.8	28.2	37.3	34.2	20.6	44.7	64.8
Mar.	219.6	94.8	24.7	.2	28.1	.7	81.9	13.6	28.3	37.1	34.5	20.4	44.9	65.5
1945-Feb.	215.4	89.5	24.6	.2	28.2	.7	86.2	14.1	29.4	38.4	35.8	20.6	46.8	68.1
Mar.	214.3	89.2	24.0	.2	29.0	.7	85.2	14.1	29.6	38.7	36.0	20.7	47.0	68.5

(a) Including L.W.C. projects.

(b) Including Education, Health, Hotels, Restaurants and Professional and Personal Services (except private domestics).

BUILDING INDUSTRY.

PRIVATE BUILDING PERMITS of a value of £200,000 were granted in Sydney and suburbs in April, 1945, with the value for new buildings (£120,000) the greatest since Dec., 1941. Dwelling houses (new and alterations) totalled £133,000 compared with monthly averages of £69,000 in Mar. Qr., 1945 and of £33,000 in the year 1944.

HOUSES. Private permits granted in April included 141 new houses, making 402 for the four months of this year. Numbers are by no means comparable with the pre-war level, but show a pronounced upward trend.

NUMBER OF PRIVATE PERMITS FOR NEW HOUSES - SYDNEY AND SUBURBS.

Financial Year	Half year ended		Year	Month of -						
	Dec.	June		Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
1939-40	2,846	2,916	5,762	482	430	298	358	459	421	648
1942-43	30	39	69	4	8	4	5	8	2	8
1943-44	44	99	143	6	6	7	9	13	18	13
1944-45	252	42	52	51	67	88	106	141

Government authorities let contracts for or authorised 61 new houses (12 in the metropolis) in April, 1945. The programme of Government house-building still lags; the numbers for which construction was arranged averaged 62 (32 in the metropolis) in Jan.-April, 1945 and 86 (60) a month in July-Dec., 1944.

GOVERNMENT BUILDING, which was tending to decrease late in last year, has assumed large proportions again in meeting needs of British Pacific Forces. Works arranged for in April 1945 totalled £316,000 including £144,000 in the Metropolis, compared with the monthly average of £163,000 (£72,000 in Metropolis) during 1944.

TOTAL BUILDING. Private permits in the Metropolis and all Government building arranged for in N.S.W. totalled £516,000 in April, 1945, compared with £565,000 in March, 1945 and a monthly average of £297,000 in the year 1944. Building activity has increased but remains much below the pre-war level.

VALUE OF PUBLIC AND PRIVATE BUILDING IN N.S.W.

Period.	Metropolis.			Government.		Total Cols.1 and 5. (6)
	Private (1)	Government (2)	Total (3)	Country (4)	Total, N.S.W. (5)	
	Monthly average value in £ thousands.					
1940	977	74	1,051	223	297	1,274
1944	134	72	206	91	163	297
Jan.-Apr. 1944	108	157	265	60	217	325
Jan.-Apr. 1945	179	188	367	120	308	487
April, 1944	75	123	198	27	150	225
April, 1945	200	144	344	172	316	516

TRANSPORT ETC.

STATE RAILWAYS. More passengers, but less goods and livestock were transported and gross earnings were less in April, 1945 than in April of any of the preceding five years.

Comparing the ten months ended April, 1944 and 1945 the number of passenger journeys increased by 1.6 per cent. and the tonnage of goods and livestock carried decreased by 3.6 per cent. working expenses decreased less than did gross earnings and the net result was £673,000 less favourable. The decrease in earnings may be attributed to decreased traffic in war goods and to effects of the adverse rural season of 1944-45.

The National Security (Land Transport) Regulations have been held by the Full High Court to be invalid in regard to restrictions upon interstate travel. For the time being the revised permit system is being continued. The position regarding transport of goods interstate is being examined.

N.S.W. GOVERNMENT RAILWAYS.

Year	Month of April.			Ten months ended April.			
	Passenger Journeys	Goods and Livestock	Gross Earnings	Passenger Journeys	Goods and Livestock	Gross Earnings	Net Earnings ϕ
	millions	tons	£000	millions	tons	£000	£000
1939	15.1	1,194	1,581	156.3	12,508	15,805	4,210
1942	18.6	1,588	2,596	180.2	13,430	22,520	6,705
1943	19.9	1,601	2,771	195.9	16,404	28,330	7,430
1944	20.9	1,424	2,652	207.5	16,106	28,846	6,791
1945	22.6	1,382	2,547	210.9	15,595	26,320	6,118

ϕ Gross earnings less working expenses; available to pay interest, etc. on railway loan debt.

MOTOR VEHICLES. In April, 1945, as in recent months fewer motor vehicles were registered for the first time than in the corresponding period of last year. Commercial vehicles continue to comprise the greater proportion of the new vehicles registered.

At 30th April, 1945 there were 296,700 motor vehicles on the register compared with 329,200 before the war. Latterly registrations have increased less rapidly than in 1944, as the appended table shows. During April, 1945 registrations increased by 705 (cars by 102 and lorries and vans by 412).

Special rations of petrol are to be made available to commercial users who, because of the shortage of fodder, are obliged to substitute motor for horsedrawn vehicles.

MOTOR VEHICLES REGISTERED IN N.S.W.

Type of Vehicle.	New registrations			All Registered motor vehicles.				
				Number at end of -		Increase in -		
	April, 1944	March, 1945	April, 1945	Aug., 1939 (a)	July, 1942 (b)	April, 1945.	Jan.-Apr. 1944	Jan.-Apr. 1945
	Average weekly number			000	000	000		
Cars .	5	7	5	216.6	170.0	185.2	2,294	799
Lorries and Vans	83	45	42	77.6	70.9	82.0	1,833	1,557
All Vehicles.	88	52	47	329.2	267.4	296.7	4,889	3,172

(a) Pre-war peak. (b) Lowest wartime number of cars.